

Senate Bill No. 278

CHAPTER 104

An act to amend and repeal Section 18824 of the Business and Professions Code, relating to boxing, and making an appropriation therefor.

[Approved by Governor July 21, 2005. Filed with
Secretary of State July 21, 2005.]

LEGISLATIVE COUNSEL'S DIGEST

SB 278, Cedillo. Boxing pensions.

Existing law, the Boxing Act, provides for the licenser and regulation by the State Athletic Commission of boxing, kickboxing, and martial arts contests and makes a violation of the act a crime. The act creates the Boxers' Pension Fund where certain revenue is deposited and continuously appropriated for pension fund purposes. Under the act, a person who conducts a contest is required to report to the commission the amount of gross receipts from the contest and to pay the commission a fee of 5% of that amount. The act requires until January 1, 2006, that the balance of the fee from any one boxing contest exceeding \$70,000 be paid 1/2 to the commission and 1/2 to the Boxers' Pension Fund.

This bill would require these payments to the Boxers' Pension Fund to continue to be paid after January 1, 2006. Because the bill would continue the deposit of these fee proceeds into the Boxers' Pension Fund, it would make an appropriation. Because failure to comply with this payment obligation would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 18824 of the Business and Professions Code, as amended by Section 18 of Chapter 183 of the Statutes of 2004, is amended to read:

18824. (a) Except as provided in Sections 18646 and 18832, every person who conducts a contest or wrestling exhibition shall, within 72 hours after the determination of every contest or wrestling exhibition for which admission is charged and received, furnish to the commission a

written report executed under penalty of perjury by one of the officers, showing the amount of the gross receipts, not to exceed two million dollars (\$2,000,000), and the gross price for the contest or wrestling exhibition charged directly or indirectly and no matter by whom received, for the sale, lease, or other exploitation of broadcasting and television rights of the contest or wrestling exhibition, and without any deductions, except for expenses incurred for one broadcast announcer, telephone line connection, and transmission mobile equipment facility, which may be deducted from the gross taxable base when those expenses are approved by the commission. The person shall also, within the same time, pay to the commission a fee of 5 percent, exclusive of any federal taxes paid thereon, of the amount paid for admission to the contest or wrestling exhibition, except that for any one boxing contest, the fee shall not exceed the amount of one hundred thousand dollars (\$100,000), and a fee of up to 5 percent of the gross price as described above for the sale, lease, or other exploitation of broadcasting or television rights thereof, except that in no case shall the fee be less than one thousand dollars (\$1,000). The minimum fee for an amateur contest or exhibition shall not be less than five hundred dollars (\$500). The amount of the gross receipts upon which the fee provided for in this section is calculated shall not include any assessments levied by the commission under Section 18711.

The fee on admission shall apply to the amount actually paid for admission and not to the regular established price.

No fee is due in the case of a person admitted free of charge. However, if the total number of persons admitted free of charge to a boxing, kickboxing, or martial arts contest or wrestling exhibition exceeds 25 percent of the total number of spectators, then a fee of one dollar (\$1) per complimentary ticket or pass used to gain admission to the contest shall be paid to the commission for each complimentary ticket or pass that exceeds the numerical total of 25 percent of the total number of spectators.

(b) If the fee on admissions for any one boxing contest exceeds seventy thousand dollars (\$70,000), the amount in excess of seventy thousand dollars (\$70,000) shall be paid one-half to the commission and one-half to the Boxers' Pension Fund.

(c) As used in this section, "person" includes a promoter, club, individual, corporation, partnership, association, or other organization, and "wrestling exhibition" means a performance of wrestling skills and techniques by two or more individuals, to which admission is charged or which is broadcast or televised, in which the participating individuals are not required to use their best efforts in order to win, and for which the winner may have been selected before the performance commences.

SEC. 2. Section 18824 of the Business and Professions Code, as amended by Section 19 of Chapter 183 of the Statutes of 2004, is repealed.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or

infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

O